

Housing Authority of the City of Laredo
(Revised)
Regular
Board of Commissioners Meeting
LHA Conference Room
2000 San Francisco Ave.
Laredo, Texas 78040
Friday, February 9, 2018
3:00 p.m.

A-18-R-2

Minutes

February 9, 2018

1. **CALL TO ORDER** Chairman Ceballos called the meeting to order at 3:00 p.m.
2. **PLEDGE OF ALLEGIANCE** Chairman Ceballos led them in the recital of the pledge.
3. **ROLL CALL AND DECLARATION OF QUORUM** Mary Gaona, Executive Director, proceeded with roll call.

Commissioners Present

Jose L. Ceballos, Chairman
Dr. Sergio Garza, Vice-Chairman
Marcela Alvarez, Commissioner
Anita Guerra, Commissioner

Commissioners Absent

Dr. Marisela Rodríguez, Commissioner

Staff Present

Mary Gaona, Executive Director
Christy Ramos, Administrative Assistant
Robert Peña, IT Coordinator
Jennifer Barrientos, Interim Director of Finance
Bulmaro Cruz, Director of Modernization and Development
Mary De La Rosa, Interim Human Resources Assistant
Jose Collazo, Special Projects Coordinator
Eduardo Palacios, Construction Project Manager
Rafael Vidaurri III, Director of Housing Management
Frank Lopez, Procurement Officer
Bertha Galvan, Interim Section 8 Administrator
Attorney Ricardo De Anda
Attorney Doug Poneck

Others Present

Rosy Rios
Mario Jasso

4. CHAIRMAN'S COMMENTS

Chairman Ceballos mentioned that there were no particular comments.

5. CITIZENS COMMENTS

This is the opportunity for visitors and guests to address the Board of Commissioners on any issue. The Board may not discuss any presented issue, nor may any action be taken on any issues at this time. There will be a 3-minute limitation per speaker. (Texas Attorney General Opinion-JC-0169)

There were no comments.

6. PRESENTATION BY CENTRAL RESIDENT COUNCIL

Ms. Rios, Central Resident Council President, presented to the Board and welcomed Ms. Gaona back to LHA. Ms. Rios mentioned that they had the Central Resident Council meeting on January 26, 2018 and stated that Mr. Rafael Vidaurri III, Director of Housing Management, had introduced himself at that meeting and had informed them in regards to a survey that would be conducted in reference to a new smoke-free policy on Housing property. Ms. Rios mentioned that the survey was distributed during the meetings held at each Resident Council the previous week and stated that the survey was welcomed and it looked like it would be successful, so they would get the results of the survey by June 1, 2018. Chairman Ceballos thanked Ms. Rios for her presentation.

Vice-Chairman Dr. Garza asked if the results would be in June. Mr. Vidaurri mentioned that they were going through the process of implementing the smoke-free policy PHA wide and currently they were in the stage of collecting feedback from the residents as to what they would like to see implemented in the policy and that the minimum requirements would be that there would be no smoking in the units and 25 feet away from any of the buildings and there would be additional optional criteria which would include the use of electronic cigarettes, if they would like to see any designated smoking areas or if they would like to see all LHA property up to the curve to be smoke free. He stated that the surveys were to be submitted by the end of the day and would be compiling the data by next week, so that they would make a recommendation to be included in the policy and then, they would publish for a 30-day period. Mr. Vidaurri mentioned that they had received good feedback from the Resident Councils, that the majority were in favor and were actually looking at something more stringent, looking to go to the maximum they would be able and added that, unfortunately, there were smokers.

Vice-Chairman Dr. Garza asked how they had done the distribution of the survey. Mr. Vidaurri responded that it was distributed house to house, that the survey was both in English and Spanish and that when they met with the residents, they were given more details in regards to the purpose of the survey.

Chairman Ceballos asked about the other options. Mr. Vidaurri stated that the options would be whether they would like to use electronic cigarettes or if they would like a specific designated

smoking area which obviously will be beyond the 25 feet boundary of any building or if they would like to make the whole property smoke free and in addition to having the 25 ft. boundary around the buildings, if they would also like to see playgrounds smoke free or any other gathering areas. Chairman Ceballos asked if LHA would have to adopt only one policy or whether it will be one policy per development. Mr. Vidaurri responded that it would be one policy for all developments. Commissioner Ms. Alvarez asked when had it become effective. Mr. Vidaurri responded that it was not effective yet, that they were in the process of getting it implemented and were looking at having it implemented by June which was the target date. Chairman Ceballos asked if it was required to be in place by June. Mr. Vidaurri responded that the actual cut off time would be July 1, but they wanted to get it in before. Chairman Ceballos stated that they did not have a choice, that they needed to have a policy. Mr. Vidaurri stated that it was mandatory, that they had no choice at all.

Vice-Chairman Dr. Garza asked how the policy would be enforced. Mr. Vidaurri responded that enforcement would be a bit tricky, that it would be with the assistance of the residents, but ultimately, the enforcement responsibility would fall with the manager of the development and that the enforcement would be tiered, first being a verbal notice, then written notices and ultimately with the eviction of the tenant.

Vice-Chairman Dr. Garza mentioned that his concern was playgrounds where the children play, that it would be dangerous to have smoking. Chairman Ceballos recommended bringing the item back for further discussion in April so that Mr. Vidaurri would inform them on the residents comments ahead of the June date. Chairman Ceballos thanked Mr. Vidaurri for his presentation.

7. PRESENTATION ITEMS

A. Executive Director's Report, including setting date for Financial and Budgeting Workshop.

Ms. Mary Gaona mentioned that she had included the staff development that Christy had provided in reference to the trainings the staff had taken from December through January.

Chairman Ceballos mentioned that Ms. Gaona had only been with the Agency for a few days and stated that the format of the Executive Director's Report would be entirely up to her and they would expect one monthly; they will be talking about having it electronically, so she could also do it electronically.

Chairman Ceballos mentioned that he was interested in this item because he wanted to at least have a conversation about setting up the workshop because they had put off the salary comparability for some time and if they would get the budget process going, they would need to include it and he would like to at least take two hours in the workshop to get it wrapped up. In fairness to Ms. Gaona who had just started working, Chairman Ceballos mentioned that they originally had some budget items in the draft agenda, but wanted to give Ms. Gaona sometime to look at them and designate a date.

Ms. Gaona wanted to see if we could propose March 24 which she thought would work for most of the Commissioners. Chairman Ceballos stated that he had a training he was interested in which was scheduled right before, so if he could come back that same night; otherwise, he would prefer cancelling it because he would prefer attending the Budget Workshop. Ms. Gaona stated that there was a flight on Friday, so Chairman Ceballos would be able to come back on Friday. Chairman Ceballos asked the Commissioners present if they would be available March 24th. All the Commissioners present confirmed.

Ms. Gaona informed that she had met with the Department Heads and was able to meet with most of the departments other than the sites. She met with all the Project Managers and would be going out to each of the Amps and also to Asherton to familiarize herself with the staff. Ms. Gaona stated that she had met with Finance and said that she would be reviewing the audit and mentioned that she had a call scheduled for Monday at 11:00 a.m. to review the audit with the auditors. Chairman Ceballos mentioned that obviously she wanted to look closely at the findings in the report, but that there were also corrective actions with the staff and recommended that Ms. Gaona would make sure to have a chance to follow up. Ms. Gaona stated that she and Jennifer had already discussed it with the staff.

8. ACTION ITEMS

A. Discussion and possible action to update signature cards and all HUD online systems.

Ms. Gaona mentioned that they needed this item for the bank and would need a Resolution from the Board as well as for it to be in the minutes. Chairman Ceballos asked if they would be designating two people. Ms. Gaona responded that for now it would just be one person because they did not have the Finance Director unless they would want to include Jennifer and later come back and that the only action would be to remove Ms. Melissa Ortiz and add Ms. Mary Gaona and the rest would stay the same.

Chairman Ceballos moved to authorize the change of Melissa Ortiz to Mary Gaona on signature cards and on the online systems.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

B. Discussion and possible action to award RFP No. LHFC 170401, Invitation for Competitive Sealed Proposals Construction of 138 Dwelling Units for the Russell Terrace Revitalization Project, and authorize the Executive Director to finalize any negotiations and contract with the top evaluated proposer or proposers.

Mr. Bulmaro Cruz, Director of Modernization and Development, presented to the Board and mentioned that he and Mario Jasso would be presenting for discussion and possible action to award RFP No. LHFC 170401, Invitation for Competitive Sealed Proposals Construction of 135 Dwelling units for The Russell Terrace Revitalization Project, and authorize the Executive Director to finalize any negotiations and contract with the top

evaluated proposer or proposers. Mr. Cruz stated that they had received proposals from 22 firms in multiple categories, but would only be considering the six firms that met the LHA bonding and insurance requirements. Chairman Ceballos stated that they would probably need to go into executive session because they were still negotiating with the firms and asked if any of the firms were present. No firm representative was present, so Chairman Ceballos mentioned that they had said it was public record and wanted to make sure they would protect their negotiation position and asked Mr. Cruz to provide an overview on Russell Terrace and then they would go into executive session to discuss details about the proposals and anything else related to the item.

Mr. Cruz provided a power point presentation showing the project hard and soft construction budgets and the scope of the reconstruction of the 138 units, the rehabilitation of 24 units and the limited self-improvement they were proposing. Chairman Ceballos mentioned that hard construction was brick and mortar and soft construction was special orders, professional fees and everything else that was not brick and mortar. Mr. Cruz stated that they had already awarded the hazardous material abatement and the demolition contracts, so they were proposing to award for the reconstruction of the 138 units, for labor they would anticipate a cost of \$3.6M and for materials it would be approximately \$3.1M.

Chairman Ceballos explained that the bonding requirements were several, one would to submit a bid and honor their bid which was called bid bond and next would be a performance bond after they would be hired, which would assure that what they would have installed in place would have enough quality to perform and the other part would be that they would pay any subcontractors downstream from them to protect LHA as an owner from any liabilities, so if they were to build something that would be defective, LHA could go back and hit that bond and if they were not to pay someone and the person would try to put a lien on LHA, the bond would be forced to react to it, so the difference between a bonded company and a non-bonded would generally be that they would need to have financial capacity to stand behind their work, their payroll and their cost and said that one of the benefits of splitting labor and materials was that LHA would be able to buy the material and the contracted firm would not have to spend money on materials which would be less commitment on their part.

Mr. Cruz presented the firms they were recommending and Mr. Jasso mentioned that there were six firms that had bonding capacity, but two of them did not have competitive bids. Chairman Ceballos asked Mr. Jasso to explain the process to qualify the bidder, so Mr. Jasso from Architects Plus explained that they would consider the prices from each of the individual firms, but would not be obligated to award it to the lowest bid and mentioned that they had found that they would often get in trouble when they would award to the lowest bid because they may not have everything and would make a mistake, so for this item the price would count, but so would experience, financial capability, their track record, any history of bankruptcy or law suits, all of that would come into the picture, also the experience they might have working with LHA, so it will allow them to get a more complete overview of who they would be dealing with

and the best value, and since they would be looking at a \$3.6M proposed award, it would present quite a bit of savings on the bids they got.

Chairman Ceballos mentioned that they had a committee score and had ranked the bidders. Mr. Jasso mentioned that when they went through the process they were dealing with two very capable firms which were Altius and Romo, but neither one of them had the best price on every item, so they looked at the sub trades each firm had bid on to select the one that would represent the best value. Chairman Ceballos asked if all the firms understood and if they had attended the pre-bid meetings. Mr. Jasso responded that LHA had gone to great lengths to try to work with local subcontractors and invited them to come to Russell Terrace and presented them with what the project was about and they also had people from insurance companies to tell them what they needed to do to get the insurance and Mr. Jasso mentioned that they had a pretty good response, 22 firms, but unfortunately not all of them were capable of bringing all the requirements. Mr. Jasso stated that they had a clear picture of the value of the work based on the 22 proposals which were very informative.

Attorney Poneck asked what was the main thing that would disqualify them. Mr. Jasso mentioned that they were trying to reach the local subcontractors, the employees that would do the actual work and they had tried to get them on board, but unfortunately most of the local subcontractors, the carpenter, plumber and electrician, would normally not carry insurance nor the performance and payment bond and as much as they tried to make it accessible to them, a lot of them were not ready to take on the paperwork and the responsibility to do the financial statements and even though their prices were very reasonable, they could not be entertained because they did not meet the requirements of insurance, payment bonds and other basic needs, but there would be a chance that once the contractors would get selected, they could negotiate with the successful contractor.

Chairman Ceballos mentioned that he would definitely want to go into executive session to talk about the numbers because it was obviously a big award, \$3M and close to \$7M altogether, so they wanted to be well informed.

Chairman Ceballos stated that he would like to add another item into executive session, so they could deal with the items together and made a motion to entertain the items and to continue discussing them in executive session, Items 8B and 8J, Discussion and possible action related to the acquisition of vacant lots and abandoned properties located in the inner city, as defined by the City of Laredo's 2017 Masterplan, with the intent to economically reinvest and redevelop the city's urban core.

Mr. Cruz asked if they could also include Item 8C, so Chairman Ceballos mentioned that Item 8C was the materials part of Russell Terrace, so they would also add Item 8C, Discussion and possible action to award IFB No. LHFC 171202, Construction Materials for the Russell Terrace Revitalization Project, and authorize the Executive Director to finalize any negotiations and contract with the most responsible bidders with the lowest responsive bids, so it would be three items 8B, 8C, and 8J.

**Chairman Ceballos moved to go into Executive Session.
Vice-Chairman Dr. Garza seconded the motion.
Motion passed unanimously.**

Chairman Ceballos called all the Commissioners present, Attorney Doug Poneck, Attorney Ricardo De Anda, Mary Gaona, Mario Jasso, Bulmaro Cruz and Frank Lopez to go into Executive Session.

The Board entered into Executive Session at 3:25 p.m.

The Board reconvened from Executive Session at 4:21 p.m.

Chairman Ceballos stated that there was no action taken in Executive Session on Items 8B, 8C, 8J and entertained a motion on Item 8B.

**On Item 8B, Chairman Ceballos moved to authorize the Executive Director to finalize and execute contracts with the following firms: Romo Construction, Altius Group, AC/DC Inc. and Sunbelt Air Conditioning & Refrigeration subject to meeting all bonding requirements and insurance being provided and to confirm and approve all sub-contractors as well as being consistent with the phasing of the project.
Commissioner Ms. Guerra seconded the motion.
Motion passed unanimously.**

- C. Discussion and possible action to award IFB No. LHFC 171202, Construction Materials for the Russell Terrace Revitalization Project, and authorize the Executive Director to finalize any negotiations and contract with the most responsible bidders with the lowest responsive bids.

This item was taken in executive session and no action was taken in executive session.

Chairman Ceballos moved to authorize the Executive Director to negotiate contracts, amounts of work and contract price reached with the awarded Vendor and to finalize the documents therein.

Vice-Chairman Dr. Garza seconded the motion.

And for the record, Chairman Ceballos mentioned that the entities were: Zarsky Lumber, Home Depot, Clark Hardware, Sherwin Williams, Flecha Materials, CED, Inesco, Bricks and Tile and McCoys.

Motion passed unanimously.

- D. Discussion and possible action to award RFP No. LHA2017_1217_1, On-Call Professional Construction Inspection Services, and authorize the Executive Director to finalize any negotiations and contract with the top evaluated proposer or proposers.

Bulmaro Cruz presented the item and mentioned that they had received two responses which were from DO-RITE Inspection Services and from Antonio Murillo Professional Inspectors and after their evaluation, the top ranking proposer was Antonio Murillo and they were recommending Antonio Murillo. Chairman Ceballos stated that he would abstain on the item due to Mr. Murillo having done work for him in his private business; therefore, Chairman Ceballos would not be voting on the item.

Vice-Chairman Dr. Garza moved to award RFP No. LHA2017_1207_1, On-Call Professional Construction Inspection Services to Bortex R. E. Inspections.

Commissioner Ms. Guerra seconded the motion.

Motion passed.

- E. Discussion and possible action to award RFP LHA2017_1207_2, HQS Housing Inspection Services, and authorize the Executive Director to finalize any negotiations and contract with the top evaluated proposer or proposers.

Ms. Gaona stated that staff was recommending to table the item and to bring it back at a later time and that they would try to look for local vendors.

- F. Discussion and possible action related to the proposed transition from paper to digital, by using available software, equipment and modifying management practices – to reduce paper storage requirements, waste and to improve administrative efficiency.

Chairman Ceballos mentioned that part of the item was originated at his request because he had approximately six boxes of printed material in his office and it was getting very overwhelming and he thought it was the same for the Commissioners, so they would recommend to streamline the process and consider the use of tablets, which would also help staff, because one of the problems for getting the packets late was because some persons were not getting done with their work and with Russell Terrace being so much work, it held back the packet, but the idea was that if they would do it digitally, using software, they could load as it would become available, so maybe there would be one item that they would see a day or two days before the meeting, but most of the information would already be there because some folks would submit on time, but they would not get the packet because there would be an item pending and also the binding was a big ordeal and stated that he was sure there were other deficiencies.

Robert Peña, IT Coordinator, presented to the Board and mentioned that four different firms were surveyed which are Boardbook, Symbli, Boarddocs and Diligent and stated that the pricing was a \$3,000.00 flat annual fee for Boardbook and the functionality was moderate to good, Symbli came in at an initial annual cost of \$6,680.00 which had a much prettier inner face and a little better functionality, but at more than twice the price. Boarddocs had the most functionality, but the look and feel was rather plain and not very customizable, even though the functionality was excellent, the initial annual cost would be \$9,000. Mr. Peña mentioned that the three would have unlimited number of users with unlimited amount of data that could be submitted and downloaded and that they all had the ability to offer content to the public and all the archives that would

be saved there would be searchable by keyboard and they all offered some form of training. He stated that Boardbook offered unlimited amount of webinar training, Symbli would offer self-training and Boarddocs, the most expensive one, offered on-site training, so considering the pricing and the functionality and that it would be their first entry into the digital and paperless milieu, Mr. Peña would recommend to tryout Boardbook at a \$3,000.00 annual cost.

Chairman Ceballos mentioned that he was sure Ms. Gaona had not really looked at it and mentioned that he had heard of Boardbook many years ago at Carrizo ISD, that a lot of the ISD's use it and that they could pass it, but he would like for Ms. Gaona to assess it as well because \$3,000 was not a lot of money for that kind of improvement and asked if the Commissioners were in line with the idea of making the change because Chairman Ceballos thought they were. Robert Peña stated that he had a sample website he could show which was the San Angelo Independent School District that used Boardbook for their meetings.

Chairman Ceballos asked Attorney Poneck if the school districts he worked with would use it. Attorney Poneck mentioned that it was very common. Mr. Peña mentioned that the best thing was that it would be in Pdf format and could be e-mailed, downloaded, or printed very easily and on their website they would be able to go to the Boardbook website. He also explained that they could modify the links on their own website and stated that the look and feel was not what he would like. Vice-Chairman Dr. Garza asked what was it that Mr. Peña would like for look and feel. Mr. Peña said that he would like a color sheet, maybe adding a logo and branding it and as far as functionality, he gave an example by clicking on a particular date of a meeting that would take him to the notice of the meeting prepared by Boardbook taken from their agenda, it had a template that had the information for the agenda which would be inserted and would be automatically generated. Chairman Ceballos asked if it would be mobile friendly. Mr. Peña responded that not exactly, that it would run on any browser, and if they had a tablet or a cell phone, they could open it with the browser, but when they would actually open the item, it would be a Pdf, so it would work with whatever device they would use for Pdf.

Mr. Peña showed a sample of an agenda template, so that the person preparing it would just put in the items and he showed them the places for the standard items, the minutes, the action items, the consent items and mentioned that the person preparing it would key in the attachments and everything would be downloaded automatically, so that when everything would be ready, an e-mail would be sent to the Board members informing them that the agenda and packet were ready, so that would be how it would be distributed electronically.

Chairman Ceballos mentioned that one of the changes they would have would when people would submit bids, they were used to come with their paper bids, so they would have to change policies to update administrative procedures to request that they submit electronically online, so that it could just be uploaded. Vice-Chairman Dr. Garza mentioned that basically each item would have an attachment. Mr. Peña confirmed.

Chairman Ceballos mentioned that for each item they would have an attachment. Mr. Peña mentioned that it would all be in Pdf and would also have the functionality of including an actual spreadsheet, not so much videos or audio, but those could be linked to a different website. Mr. Peña mentioned that for the functionality Boardbook offered and for a \$3,000.00 fee, it would be worth it. Chairman Ceballos asked if it would have to be a minimum of one year. Mr. Peña responded that it would be by the year, that they would pay \$3,000.00 per year with unlimited users and unlimited training by webinar.

Chairman Ceballos mentioned that Christy and whoever else that would be using and managing it would need to be involved before they would order it to make sure they would be ok with it. Mr. Peña mentioned that he had spoken with the vendor and was sure the vendor would love to have another demo. Chairman Ceballos mentioned that he was surprised the rate was so low. Mr. Peña stated that Boarddocs normally priced at \$12,000.00 and said that they were interested in doing business with LHA, so they would go down to \$8,000.00.

Chairman Ceballos moved to go with Boardbook.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- G. Discussion and possible action to approve the 2018 Section 8 Housing Choice Voucher Program Payment Standard amounts effective March 1, 2018 using the Fair Market Rents and adopt Resolution No. 18-R-4.

Bertha Galvan, Interim Section 8 Administrator, presented and stated that she would ask Jennifer Barrientos for assistance with the presentation and said that they were presenting and proposing the new payment standard for Section 8 Program based on Fair Market Rents published by HUD.

Ms. Barrientos, Interim Director of Finance, mentioned that one of the regulations HUD had was that HUD would publish the Fair Market Rents and they would get Board approval between 90 to 110 percent, so they kept it around the same amount as last year. She said that the Fair Market Rents were lower for Laredo and Webb County, so they kept it at the same amount as last year which was a little bit more. Chairman Ceballos asked if any of them had gone down. Ms. Barrientos responded that they did not, that just the Fair Market Rents published from HUD had gone down, but they had kept them higher, that they had tried to get the same amount, so they all went high, for example in Laredo, the Fair Market Rent is at \$583, they are at 93% which would be \$542 and if they would do it at 92%, it would be lower than the \$538 current, so they tried to keep it close to what it was last year.

Vice-Chairman Dr. Garza asked about a two-bedroom in Asherton being more expensive than in Zapata. Ms. Barrientos mentioned that it was based on the Fair Market Rents from HUD and that maybe it was because there was limited housing there. Vice-Chairman Dr. Garza mentioned that being a small city he would think the tax base would

not be as high as Laredo or Zapata for that matter. Chairman Ceballos mentioned that there was hardly any housing available in Asherton. Vice-Chairman Dr. Garza stated that he could see the point.

Chairman Ceballos mentioned that when they had first come on board as a Board, there were some issues with tenants not being paid in Central and South Laredo and asked if those concerns had diminished. Ms. Barrientos responded that they had, that they had not had any calls or complaints from landlords except for wanting to know what would be the minimum they would get paid and said that it happened before because of the Fair Market Rents back then when they were in that program, but now they were trying to transition out. Chairman Ceballos mentioned that they needed as many landlords participating as possible.

Chairman Ceballos moved to accept Item 8G as presented by staff.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

- H. Discussion and possible action to adopt the new Utility Allowance Schedule for the Section 8 Housing Choice Voucher (HCV) Program and Project-Based Voucher (PBV) Program effective March 1, 2018 and adopt Resolution No. 18-R-5.

Chairman Ceballos asked if the item included Russell Terrace Project-Based. Ms. Barrientos confirmed.

Ms. Galvan stated that Ms. Barrientos would be assisting her with the presentation. Ms. Galvan mentioned that they were proposing the new Utility Allowance Schedule for Section 8 and Project-Based Voucher, that they had to review the Utility Allowance every year and determine if there would be a 10% increase in each of the utilities. Ms. Galvan mentioned that since the last time they changed them and compared them to the current year, there has been a 10% increase; therefore, they were bringing the revised schedules to reflect those amounts.

Chairman Ceballos asked who had prepared the assessment or if it was generated by Nelrod. Ms. Barrientos mentioned that they had prepared it by getting all the new rates for the different utilities. Chairman Ceballos asked if they had kept it documented. Ms. Barrientos mentioned that they kept all the documents and the auditors would review them when they come and also HUD. Chairman Ceballos asked about the SEMAP rating factor. Ms. Barrientos confirmed and said that because there was a change, they would need to send it to HUD for approval, so they would be sending it to HUD.

Chairman Ceballos explained that on the information provided they have the single family dwellings and duplexes in one sheet and for the apartments there had separate utilities, that the government subsidizes utilities expense to the families and that it was important because it means that the assistance a client would receive would depend on their deductions and the utility allowance, they would issue a voucher based on those factors, so the higher the utility allowance, the more of a check they would subsidize to

each family and he mentioned that the last one was the Mobile Homes. Ms. Barrientos mentioned that the appliances were high efficient, so they would give them credit for it. Chairman Ceballos asked how much of a credit and if it would save them money. Ms. Barrientos confirmed. Chairman Ceballos asked what the difference was between a one bedroom and a two bedroom and if high efficiency was for both single family dwelling and apartments. Ms. Barrientos confirmed and stated that they would check if all appliances are high efficient to give them the proper credit. Chairman Ceballos asked if they would recruit landlords with high efficiency appliances. Ms. Barrientos mentioned that they would advise the landlords because a lot of them would already have the appliances and they would also tell the tenant if they would put their own refrigerator or stove. Vice-Chairman Dr. Garza asked if they would recommend to the tenant about the type of appliances tenants should have. Ms. Barrientos stated that it would depend where they would be renting because sometimes the landlord would include all the appliances and sometimes they would do not, so it would be case by case.

Chairman Ceballos moved to approve Item 8H as presented by staff.

Commissioner Ms. Guerra seconded the motion.

Motion passed unanimously.

- I. Discussion and possible action to adopt the revised Utility Allowance Schedules for Public Housing effective March 1, 2018 and adopt Resolution No. 18-R-6.

Rafael Vidaurri III, Director of Housing Management, presented to the Board and stated that the item was very similar to the previous item just passed for Section 8 and mentioned that he had provided a comparison on the communications page on what was presented last year and that the figures presented last year in 2017 were actually a continuation of what was adopted in 2015, so the last time there was a change on the public housing side of 10% or greater was in 2015; therefore, they were amending them.

Chairman Ceballos mentioned that there was a typo on the item. Mr. Vidaurri confirmed and stated that it should have read May 1, 2018 and it would be to comply with the 60 day notification requirement because it was a change that would be affecting the tenants and they would have to notify the tenants within 60 days, so it would be effective May 1, 2018. Chairman Ceballos asked if he was coordinating with Finance on the impact. Mr. Vidaurri responded that not at the time. Chairman Ceballos mentioned that they had established it and was sure it was part of the operating subsidy and just wanted to make sure what it meant for revenues and expenses, revenues more than anything and asked why the item stated that it was revised if they were supposed to set the utility allowance annually, but it said revised. Mr. Vidaurri responded that they would have to review it annually, that the revision would occur when there would a change of 10% or more in one of the categories and there had been a change and it had to do especially with the gas consumption. Chairman Ceballos stated that if it would change more than a certain percentage, they would have to update it. Mr. Vidaurri confirmed and stated that they were using 2015 figures up until last year, so this year there was a change that exceeded the 10%, actually he believed it was 15%. Chairman Ceballos asked if he was documenting everything and if he was taking receipts from the

utilities. Mr. Vidaurri responded that when they do the research and consult with the tenants, they would get the back up as to what the actual rate was year by year and then they would do the comparison.

Chairman Ceballos moved to approve Item 8I as presented with the correction that it would be effective May 1, 2018.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

- J. Discussion and possible action related to the acquisition of vacant lots and abandoned properties located in the inner city, as defined by City of Laredo's 2017 Masterplan, with the intent to economically reinvest and redevelop the city's urban core. (This item may be addressed in executive session pursuant to Texas Government Code Sections 551.071 and 551.072.)

This item was taken in Executive Session and no action was taken in Executive Session.

Chairman Ceballos mentioned, for the record, that the idea for this project was to reinvest in the Inner City and at the time of reinvesting, they would be serving the poor and also there were other objectives they would unveil with their reinvesting program that would be met through the vacant lot initiative which was also to encourage private sector, home ownership and building the tax base, but for now, for that particular property he would like for Mr. Jasso to help with the transaction and help dealing with the property at 820 Price to meet and discuss with the property owner and to come back with an agreement, hopefully, at the rates that were discussed in Executive Session and Chairman Ceballos stated that it was his motion for this item.

Chairman Ceballos moved to approve Item 8J as discussed above and as discussed in Executive Session.

Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

9. EXECUTIVE CLOSED SESSION IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE

The Board of Commissioners for the Housing Authority of the City of Laredo reserve the right to adjourn into Executive Closed Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, including Sections 551.071 (consultation with attorneys), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.086 (economic development).

10. ACTION ON ANY CLOSED SESSION ITEM

No action was taken in Executive Session on any item.

11. ADJOURNMENT

Chairman Ceballos moved to adjourn the meeting and thanked everybody for the hard work, especially the Russell Terrace team.

Chairman Ceballos moved to adjourn the meeting.

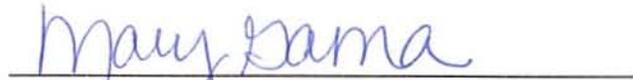
Vice-Chairman Dr. Garza seconded the motion.

Motion passed unanimously.

Meeting adjourned at 4:47 p.m.



Jose L. Ceballos, Board Chairman



Mary Gaona, Executive Director